

Key Facts

- › 200 year old pottery manufacturer and wholesaler
- › Visitor Centre and 14 outlets
- › Hilco Property appointed to manage all elements of the expansion of Denby's factory outlet portfolio

Results

- › Factory outlet estate doubled to 28 stores in 18 months
- › Extremely favourable lease terms secured
- › All stores delivered on time and with 30%+ capital cost savings
- › Retail sales increased by 75%

Supporting Work

Gloucester Quays

(Peel Holdings/British Waterways)

Junction One

(CUSP/Kennedy/Guinea Group)

Freeport Talke

(Realm)

Dalton Park

(Dalton Park Ltd)

The Galleria, Hatfield

(Land Securities)

Festival Park Ebbw Vale

(Chester Properties)

Gretna Gateway

(CHD Property)

Freeport Fleetwood

(Hermes Real Estate)

K Village

(CUSP/Guinea Group)

Atlantic Village

(The Wessex Fund)

Bridgend Designer Outlet

(McArthur Glenn)

The Outlet, Banbridge

(West Register (NI) Property)

Dockside

(Rohlerder Lumby)

Clacton Factory Outlet

(ROM Capital Group)

Lowry Mall, Salford Quays

(Peel Holdings)

Background

Denby Pottery was established in 1809 and continues to produce its traditional, quality stoneware product from its manufacturing base in Derbyshire where it also welcomes 250,000 visitors annually to the Denby Visitor Centre. Primarily a manufacturer to the wholesale trade with representation in all the major department store groups, including John Lewis and House of Fraser, Denby also had transactional websites and a small retail business in 14 factory outlets, supplementing its own Visitor Centre stores.

Hilco Property's Role

Hilco Property was appointed in 2009 by Denby's new owners to increase retail sales through expansion of the factory outlet portfolio without compromising the company's core wholesale business. Hilco Property provided a cost effective turnkey operation, managing all aspects of the retail expansion, from site identification and lease negotiation, Heads of Terms agreement and legal support (through a fixed fee agreement with a third party) to store design, roll out project management and implementation of store fit outs.

Results

Over an 18 month period, 15 new factory outlet stores were opened, doubling the size of Denby's outlet portfolio and increasing retail sales by 75%. The Hilco Property team's exceptional knowledge of the outlet market, the people involved and the retail blueprint resulted in the delivery of profitable new stores on extremely favourable lease terms, often giving the stores an early cash flow benefit to offset the ongoing capital costs.

Hilco Property's management of the implementation works achieved initial capital cost savings of over 30% through improved sourcing, innovative design solutions and the reuse of existing infrastructure, services and fixtures where practicable, whilst delivering tangible improvements to the design concept. Furthermore, the turnkey service provided by Hilco Property removed all distraction from Denby's Management team, allowing them to continue to focus on the core manufacturing and wholesale business.

